



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Establishing Cost Recovery Fee Schedule for Fireworks Sales Permits

MEETING DATE: April 20, 2011

PREPARED BY: Division Chief

RECOMMENDED ACTION: Adopt resolution establishing the Cost Recovery Fee Schedule for fireworks sales permits.

BACKGROUND INFORMATION: The proposed resolution provides for the cost recovery associated with the issuance of fireworks sales permits.

The City of Lodi Fire Department is responsible for enforcing applicable codes pertaining to fire and life safety and other regulations promulgated by the State Fire Marshal. As a result, the department incurs costs and expends resources conducting fire prevention services that are a result of discretionary activity. Fireworks sales permits issued per the City's ordinance are for the sale of State Fire Marshal approved safe and sane fireworks. The activity is considered a high fire or health risk.

The City has an established policy to recover the cost of providing special services to ensure that General Fund monies do not subsidize these activities. The Fire Department is authorized to adopt fees sufficient to pay the cost of providing these services to the general public pursuant to California Health and Safety Code and Lodi Municipal Code Title 9.13.

The attached fees and service charges will recover the cost of providing the services. A non-refundable application fee will be collected when an applicant applies for the permit. The Fireworks Sales Permit Fee Schedule was developed utilizing established hourly costs for initial application review, notification, lottery processing, and permitting and inspection services. If required, additional inspections would be charged at the hourly rate. A refundable security deposit would be collected at the time of permitting to ensure complete and timely removal of fireworks debris and stand from the site. The proposed fees are set forth in the Fireworks Sales Permit Fee Schedule (Exhibit A).

FISCAL IMPACT: It is anticipated that there would be a slight increase of approximately \$3,500 in the revenues collected during the first year. This is an estimate that will be evaluated annually to ensure the proper cost recovery is collected.

FUNDING AVAILABLE: No additional funding required.

Aimee R. Murry
Division Chief

APPROVED: _____
Konradt Bartlam, City Manager

RESOLUTION NO. 2011-65

A RESOLUTION OF THE CITY OF LODI ESTABLISHING
A FEE SCHEDULE FOR ANNUAL FIREWORKS SALES
PERMITS TO OPERATE WITH REGARD TO FIRE AND
LIFE SAFETY INSPECTIONS SERVICES PROVIDED BY
THE CITY OF LODI FIRE DEPARTMENT

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WHEREAS, the City of Lodi Fire Department is charged with the responsibility of enforcing applicable codes pertaining to fire and life safety and other regulations promulgated by the State Fire Marshal pursuant to California Health and Safety Code Section 13146 and California Fire Code Section 104; and

WHEREAS, the City of Lodi incurs costs and expends resources when fire prevention services are of a recurrent nature and the result of discretionary development; and

WHEREAS, the City desires to establish a policy to recover the cost of providing special services of a voluntary or limited nature, such that general fund monies are not diverted from general services of a broad nature, and thereby utilized to subsidize unfairly and inequitably such special services; and

WHEREAS, the City, pursuant to California Health and Safety Code Sections 13146.2(b), 13217(b), and 17951, and California Government Code Sections 6062(a), 6103.7, 66016, 66017, and California Fire Code Section 105 is authorized to adopt fees sufficient to pay the cost of providing these services to the general public following proper notice and a public meeting; and

WHEREAS, the City Council of the City of Lodi has adopted Ordinance No. 1844 repealing and re-enacting Chapter 9.12 and enacting Chapter 9.13 of the Lodi Municipal Code, which authorizes the City to establish fees sufficient to recover its costs in administering the Fire Code, subject to adoption of an implementing resolution of the City Council; and

WHEREAS, the analysis of fees and service charges set forth in the City of Lodi Fee Study and Master Fee Schedule provide a mechanism for ensuring fees adopted by the City for services rendered do not exceed the reasonable estimated cost of providing the services for which the fees are charged; and

WHEREAS, the fees and service charges set forth in the Firework Sales Permit Fee Schedule bear a fair and reasonable relationship to the City's costs in administering the Fire Code; and

WHEREAS, adoption of this Resolution is exempt from the California Environmental Quality Act (Public Resources Code Sections 21000, et seq.) because it approves and sets forth a procedure for determining fees for the purpose of meeting certain operating expenses of the City; and

WHEREAS, the public hearing required by Government Code Sections 66013-66018 to adopt new fees for fire code permits and inspections was duly noticed and held on November 3, 2010.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does find and resolve as follows:

1. The recitals set forth above are true and correct.
2. The fees and service charges set forth in the Fireworks Sales Permit Fee Schedule (Exhibit A) are hereby implemented.
3. The fees and service charges set forth in the Fireworks Sales Permit Fee Schedule are to be uniformly applied and collected for services provided by the Lodi Fire Department or its designated contractor(s). Fees and service charges for special services of a voluntary or limited nature shall not exceed the actual cost incurred by the City in providing the special service.
4. Fees and service charges set forth in the Fireworks Sales Permit Fee Schedule are for each identified service; additional fees and service charges shall be required for each additional service requested or required.
5. The Fire Chief of the City of Lodi is hereby delegated the authority to create administrative, fee-collection, and financial procedures as necessary to implement the Fireworks Sales Permit Fee Schedule consistent with the policies set forth in this Resolution.
6. The appropriate fee(s) under the Fireworks Sales Permit Fee Schedule shall be paid at the time of application submittal for: a) application review and notification, b) lottery draw processing and notification, c) safety seminar, d) fire and life safety inspections. In the event fees are not paid at the time of application submittal or upon request for additional fees, the City shall not be obligated to process, approve, or take further action on permits, fire and life safety inspections, or other services and products listed in the Fee Schedule until such time as the appropriate fees are paid to the City.
7. No permit or approval shall be issued by the City unless applicant is in compliance with applicable City and state laws and fees required are paid in full. Payment of fees by applicant shall not be construed as any waiver of the City's right to enforce compliance with fire and life safety standards, statutes, ordinances, or regulations through any means authorized by applicable law.
8. At regular intervals the Fire Chief shall review the Fireworks Sales Permit Fee Schedule to ensure that fees and service charges continue to bear a fair and reasonable relationship to the City's costs in administering the Fire Code.

9. The Fire Chief shall propose modifications to the Fireworks Sales Permit Fee Schedule to the City Council in the form of a resolution. In proposing modifications to the Fee Schedule the Fire Chief shall consider only the standards, criteria, and procedures established by this Resolution and applicable state and local law. The Fire Chief may also adjust the type of services offered if, in the judgment of the Fire Chief, equity requires such adjustment.
10. Fee adjustments to the Fireworks Sales Fee Schedule proposed by the Fire Chief may be increased by resolution of the City Council in amounts determined reasonable and necessary when budget and workload analysis supports such increases.
11. The Fireworks Sales Fee Schedule established in this Resolution shall be effective on April 20, 2011.

Dated: April 20, 2011

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I hereby certify that Resolution No. 2011-65 was passed and adopted by the City Council of the City of Lodi in a regular meeting held on April 20, 2011, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Katzakian, Nakanishi,
and Mayor Johnson

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Mounce

ABSTAIN: COUNCIL MEMBERS – None


RANDI JOHL
City Clerk

(EXHIBIT A)

DESCRIPTION	PERMIT FEE	Total
Application Fee (non-refundable)		\$35
Inspection Fee, includes the following costs:		\$300
1. Lottery draw processing	\$50	
2. Safety Seminar	\$25	
3. Permit Review and Issuance	\$75	
4. Initial Stand Inspection	\$150	